



Generic Valuation Tool

Materiel Services

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Generic Valuation Tool (GVT) MATERIEL SERVICES

How to use this tool:

- This tool is designed for IM specialists to use with relevant business areas when identifying information resources of business value (IRBV) and retention specifications.
- The IRBV and retention specifications contained in this document are recommendations only and should be customized to apply in each institutional context. The complete document should be read before using any recommendations.
- **This GVT does not provide Government of Canada institutions with the authority to dispose of information.** GVTs are not Records Disposition Authorities (RDA) and do not replace the Multi-Institutional Disposition Authorities (MIDA).

Validation: The business processes and IRBV of this GVT have been validated by subject matter experts from: Treasury Board Secretariat Materiel Management Working Group, which includes employees of approximately 20 GC institutions.

Defining the activity

Materiel Services has been identified as an Internal Service as part of the Treasury Board of Canada Secretariat's (TBS) Profile of Government of Canada Internal Services.¹ It is one of the three sub-sub-activities comprising the Asset Management sub-activity, the two others being Real Property Services and Acquisition Services. Thus, Materiel Services is identified at the sub-sub-activity level of the Profile and is common across the Government of Canada (GC), based on various pieces of legislation and TBS policy instruments.

Materiel Services is framed by a number of legislative, regulatory and policy instruments, including the [Financial Administration Act](#), the [Defence Production Act](#), the [Department of Public Works and Government Services Act](#), the [Policy Framework for the Management of Assets and Acquired Services](#) and the [Policy on Management of Materiel](#). There are also legislation and policy instruments that frame the management of specific materiel,² control hazardous materiel,³ and regulate the loans of materiel and management of surplus materiel.⁴

¹ Treasury Board of Canada Secretariat, 2008, *Profile of Government of Canada Internal Services*, <http://publiservice.tbs-sct.gc.ca/mrrs-sqrr/about-apropos/instructions-consignes/profil-eng.asp>. If the hyperlink does not work, please contact im-gi@tbs-sct.gc.ca to request a copy of the document.

² *The Directive on Fleet Management: Executive Vehicles* and the *Directive on Fleet Management: Light-Duty Vehicles*

³ *The Hazardous Products Act* and the *Controlled Goods Directive*

⁴ *The Public Property Loan Regulations*, the *Surplus Crown Assets Act* and the *Directive on Disposal of Surplus Materiel*

Materiel Services involves activities undertaken to ensure that materiel can be managed by departments in a sustainable and financially responsible manner that supports the cost-effective and efficient delivery of government programs. Materiel is defined as all movable assets, excluding money and records, acquired by Her Majesty in right of Canada. Materiel Services entails all activities necessary to acquire, hold, use and dispose of materiel, including the notion of achieving the greatest possible efficiency throughout the life cycle of materiel assets.⁵ Acquisition related activities will not be dealt with in this tool, but rather in the Acquisitions Services GVT.

Materiel Services is defined by the TBS Internal Services Profile and does not include strategic and/or horizontal activities related to materiel services performed on behalf of the entire GC, such as those carried out by Public Works and Government Services Canada (PWGSC), the TBS, or the Department of National Defence. It also excludes the management of materiel as part of an operational activity performed by specifically mandated GC institutions (e.g., the management of collections by museums).

Relationship to Other GVTs

Business processes often overlap. When the IRBV for a sub-activity is also identified in another GVT, there is a note in the table of IRBV and retention recommendations (below) to direct the user to the proper tool.

The materiel management activity is related to many other common GC-wide activities and business processes, so this GVT should be applied in conjunction with other GVTs.

Acquisition Services and Real Property Services: Materiel Services complements the other internal services described in the Asset Management Services suite. Real Property Services deals with fixed or immovable assets while Acquisition Services deals with the acquisition/procurement process component of asset management. Each of these asset management services is addressed in separate GVTs.

Financial Management Services: Acquiring materiel assets may involve functions, tasks, or activities related to the financial management or the Comptrollership of financial transactions as documented by contracts, purchase orders, or other financial records. The business processes and IRBVs are addressed in the Financial Management Services GVT.

Management and Oversight: All policy and procedures related to materiel management are addressed in the Management and Oversight GVT.

Human Resources Management: Acquiring materiel assets may involve functions, tasks, or activities related to human resources management. The business processes and IRBVs are addressed in the Human Resources Management GVT.

⁵ Treasury Board of Canada Secretariat, *Profile of Government of Canada Internal Services*, <http://publisservice.tbs-sct.gc.ca/mrrs-sgr/about-apropos/instructions-consignes/profil-eng.asp> (retrieved August 15, 2011) If the hyperlink does not work, please contact im-gi@tbs-sct.gc.ca to request a copy of the document.

Legal Services: Acquiring materiel assets may involve functions, tasks, or activities related to legal services. The business processes and IRBVs are addressed in the Legal Services GVT.

Business Processes

While the sub-activities for Materiel Services were drawn from the *Guide to Management of Materiel*,⁶ which takes into consideration the legislative, regulatory and policy instruments mentioned above, business processes were taken from LAC's *Retention Guidelines for Common Administrative Records of the Government of Canada*⁷ as well as LAC's Business Activity Structure Classification System (BASCS) Guidance for Materiel Management Function Model.⁸ Materiel Services is hence broken down into four phases, or sub-activities:

Assessment and planning

Although it is part of Materiel Services, this sub-activity will be dealt with in the Acquisition Services GVT as these sub-activities take place in advance of delivery.

Assessing requirements:

Evaluating existing assets and resources; assessing current and future organizational needs, and reviewing alternative means of satisfying materiel needs; monitoring and providing feedback on the implementation and effectiveness of Materiel Service policies; promoting the acceptance and use of environmentally sound products and practices; ensuring that Materiel Services complies with institutional policies and standards; and ensuring the effective and efficient management of all inventories and inventory cost distribution.

Planning materiel requirement:

Developing purchasing strategies; participating in procurement strategy reviews, short-term and long-term logistics planning, and life-cycle costing of acquisition alternatives; coordinating the development of materiel and logistics objectives and operational plans; and keeping inventories of materiel purchasing and holding costs.

Acquisition

Although it is part of Materiel Services, this sub-activity will be dealt with in the Acquisition Services GVT as these sub-activities take place in advance of delivery.

Purchase, contract, lease, make, buy, reuse, select and order products, in addition to moving, shipping, and storing them.

Operations and maintenance

⁶ <http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14671§ion=text> (retrieved on February 28, 2012)

⁷ <http://www.collectionscanada.gc.ca/government/products-services/007002-3140.1-e.html#a> (retrieved on February 28, 2012)

⁸ <http://www.collectionscanada.gc.ca/007/002/007002-2097-e.html> (retrieved on February 28, 2012)

All the following sub-activities take place once the materiel has been delivered.

1. Operating materiel assets:

Includes such processes as receiving and inspecting assets; controlling inventory; and warehousing. It pertains to the development and implementation of measures to ensure that materiel is used to the fullest extent possible and is well protected.

Also includes such processes as assigning/allocating assets, monitoring and reviewing use; using assets; loaning assets; and securing assets. It pertains to the distribution and scheduling of the use of materiel assets based on operational needs; redistributing materiel within the institution; tracking materiel assets (i.e., keeping track of materiel in use, loaned or transferred, monitoring the condition, quantity, consumption, rate of use, loss and associated costs).

2. Maintaining materiel assets:

Ensures that all movable goods are properly maintained and used to extend the service life of the product. It pertains to the scheduling and performing of inspections testing and maintenance work, and carrying out corrective maintenance and repairs.

3. Disposal of government assets

Disposal:

Involves identifying the disposable asset; identifying the appropriate method of disposal; and disposing of and writing-off materiel.

Replacing:

Involves the replacement of items, or parts of an item, and leads back to the “assessment and planning” and “acquisition” processes.

Retention

Recommended retention specifications in GVTs are determined based on traditional or best practices, a review of government-wide legislation and policy, and validation with subject matter experts. Retention periods are suggestions only; departments must take into account their own legislative requirements and business needs.

The retention recommendations were taken from different sources, namely the *Canada Occupational Health and Safety Regulations*, the *Maritime Occupational Health and Safety Regulations*, the *Marine Personnel Regulations*, the National Joint Council (NJC) *Occupational Health and Safety Directive*, the *Policy on Accounting for Inventories*, the *Directive on Disposal of Surplus Materiel*, the *Guide to the Management of Movable Heritage Assets*, and the *Guide to Management of Materiel*.

Business Value and Retention Recommendations

Note: For assessing, planning and acquiring materiel resources, see the GVT for Acquisitions.

1. Operating

Business Processes	Recommendations: Information Resources of Business Value (IRBVs)	Recommendations: Retention Period
<p>Receipt and inspection of assets</p> <p>Stock/goods receiving and inspection Entry into asset management database Barcoding</p>	<p>Annotated packing slip, way-bill, delivery paperwork, bill of lading Verification against contract/purchase order specifications Correspondence regarding non-compliance/discrepancy of delivery Internal inspection reports, photographs Claims for damage Tracking records for partial shipments Contractual remedies/sanctions in the case of non-compliance Quality Assurance/Technical testing reports Record of asset details in asset management database</p> <p>Note: The Transportation of Dangerous Goods (TDG) Regulations, Part 3, specifies the content of shipping records relating to dangerous goods.</p>	<p>2 years after last administrative use</p>
<p>Inventory control</p> <p>Identify assets to be inventoried Perform inventory Monitor inventory</p>	<p>Asset management database Reports on missing assets</p> <p>Note: The Controlled Goods Directive specifies the content of inventory records relating to controlled goods.</p>	<p>1 year after superseded or obsolete</p>
<p>Warehousing</p> <p>Identify items stored Identify shelf life of each item Identify and implement protective measures</p>	<p>Documents regarding issuing of materiel Forecasting plans Average usage reports Order quantity determinations</p>	<p>6 years after end of fiscal year in which the assets are disposed of, in reference to Policy on Accounting for Inventories, s.1.1.1, and Guide to Management of Materiel, s. 4</p> <p>1 year after superseded or obsolete</p>

	Note: For IRBVs about training or disciplinary action (in relation to the safe handling or theft of assets), see the GVT – Human Resources Management.	
<p>Warehousing controlled goods</p> <p>Identify items stored Identify shelf life of each item Identify and implement protective measures</p> <p>(see also the activity “Warehousing” above)</p>	<p>Additional IRBVs requirements specific to controlled goods (as defined by the Defence Production Act, Schedule – Controlled Goods List—in reference to the Export Control List—and Controlled Goods Directive, s. 4)</p> <p>Security assessments and supporting documentation Security plan Correspondence with the Minister with respect to any security breaches Visitor orientation documents concerning the safe handling of controlled goods</p>	1 year after superseded or obsolete
<p>Warehousing controlled products (hazardous goods)</p> <p>Identify items stored Identify shelf life of each item Identify and implement protective measures</p> <p>(see also the activity “Warehousing” above)</p>	<p>Additional IRBV requirements specific to controlled products (hazardous goods) (as defined by the Hazardous Products Act, Schedule II, in reference to Controlled Products Regulations, s. 33 – 66, and TDG Regulations, Schedule 1)</p> <p>Register of hazardous/dangerous goods Permits, authorization documents Packing slip, way-bill, delivery paperwork, transportation manifest (including shipping records) Shipping discrepancy reports Site storage plan Accident response plan WHMIS and OHS training records</p>	1 year after superseded or obsolete
	<p>Material Safety Data Sheets (MSDS) MSDS stickers MSDS binders</p>	<p><i>Until superseded or the controlled product is disposed of</i></p> <p>Note: Retention of MSDS information resources relating to controlled products – as defined by Canada Occupational Health and Safety (COHS) Regulations, s. 10.31 (1) and Maritime Occupational Health and Safety (MOHS) Regulations, s. 259 – is based on COHS Regulations, s. 10.32 (3) and MOHS Regulations, s. 262 and 263.</p>
<p>Warehousing heritage assets</p> <p>Identify items stored Identify shelf life of each item Identify and implement Protective measures determine the value of the heritage asset</p>	<p>Heritage assessment survey, value determination Item-specific correspondence Entry into movable asset inventory system flagging heritage asset Heritage value/significance assessment (details on object, acquisition date, reference manuals, photographs of it in use, research on items of similar type, oral histories of use, etc.)</p>	<p>1 year after the item is removed from the inventory</p> <p>Note: Retain copies of the item’s documentation near the items as well as in a central information bank (Guide to the Management of Movable Heritage Assets, s. 2.3)</p>

(see also the activity "Warehousing" above)	Conservation plan if item is still in use (asset conservation management plan)	5 years after superseded or obsolete, based on traditional retention practice applied to policies and procedures
Assignment/allocation of assets Stock issue and distribution Usage validations	Framework documents demonstrating the link between the assets and program needs/mandate – see <i>Management and Oversight GVT</i> Correspondence (request) Documents surrounding licences/permits (permits, registration) Sign-out log/sheets Note: The TDG Regulations , Part 3, specify the content of shipping records relating to dangerous goods.	2 years after last administrative action
Monitor and review use	Reports submitted to Senior Management and Finance Performance measure evaluations Benchmarking reports Feasibility studies Loss investigation reports	6 years after end of fiscal year in which the evaluations, studies and reports are submitted
Use of assets (on- and off-site)	Instruction manuals Incident logs/reports Removal from premises forms, sign-out sheets Teleworking forms Log books, vehicle log (mileage loads, load details) Fleet management system, fleet database Use authorization form Proof of insurance/government indemnification	2 years after last administrative action, except: 1 year after the report is signed – reports of inspection, testing or maintenance work performed in relation to motorized or manual materials handling equipment, based on COHS Regulations , s. 14.20 5 years after date of equipment inspection, testing, maintenance and calibration – records of inspection, testing, maintenance and calibration of diving equipment used by employees, based on COHS Regulations , s. 18.41 and 18.42 5 years after the day on which the log book was completed or the day on which a change is made in registration of the vessel – official log books of Canadian vessels of 100 gross tonnes or more, based on Marine Personnel Regulations , s. 340. (5) 6 years after the end of the fiscal year in which expenditures are made – financial records related to operation, e.g., repairs, receipts for fuel purchases 6 years after the end of the fiscal year in which the materiel asset is disposed of – financial records related to operation, e.g., records of credit cards issued in relation to vehicles, records pertaining to insurance and liability

		<p>30 years after the date of application – records of pesticide application, based on the NJC Occupational Health and Safety (OHS) Directive, s. 10.24.1</p> <p>As long as the equipment is in use – instructions for the inspection, testing and maintenance of materials handling equipment, based on COHS Regulations, s. 14.20</p> <p>Note: For retention requirements relating to training in the use of materiel assets and health and safety incidents arising from their use, see the <i>GVT – Human Resources Management</i>.</p>
	<p>Hazardous occurrence reports (reports of investigations into the likelihood that the health or safety of an employee in a workplace is or may be endangered by exposure to a hazardous substance)</p>	<p>30 years after the date on which the qualified person signed the report, based on COHS Regulations, s. 10.6</p>
<p>Loan of an asset to an external organization</p> <p>Note: Follow practices established by the Public Property Loan Regulations</p>	<p>Asset loan agreement Contracts, agreements, Memoranda of Understanding (MOU) (see also the <i>GVT – Legal Services</i>) Correspondence between participants (i.e., lenders, borrowers, legal counsel)</p>	<p>1 year after return or disposal of asset</p>
<p>Activities taken to secure assets against theft, damage and deterioration</p>	<p>Threat and risk assessment Security logs/inspection reports/incident reports</p>	<p>5 years after last administrative action</p>

2. Maintaining

Business Processes	Recommendations: Information Resources of Business Value (IRBVs)	Recommendations: Retention Period
<p>Maintaining</p> <ul style="list-style-type: none"> Unplanned maintenance Planned or scheduled maintenance Preventative maintenance Betterments 	<ul style="list-style-type: none"> Inspection records Testing records Maintenance and repair records Maintenance agreements Annual certification 	<p>2 years, or 1 year after disposal of equipment, except:</p> <ul style="list-style-type: none"> 2 years after the date of inspection – records of inspection and maintenance of anchor points and permanently installed suspended platforms, based on COHS Regulations, s. 2.16 (8) 2 years after the inspection record is signed – records of inspections of a “person’s transfer apparatus,” based on MOHS Regulations, s. 136. (2)(d) 2 years after the apparatus ceases to be used – records of self-contained breathing apparatus provided by the employer, based on MOHS Regulations, s. 148 2 years after the report is signed – reports of inspection, test and maintenance of materials handling equipment, based on MOHS Regulations, s. 227 3 years after the day of the inspection – records of inspections required by MOHS Regulations, s. 62 3 years after disposal of vehicle – records of routine vehicle maintenance and repair 5 years after the date of the report – reports of inspection, testing, cleaning and maintenance operation for Heating, Ventilation and Air Conditioning (HVAC) systems, based on COHS Regulations, s. 2.24 (5) 10 years after repairs – records of vehicle repairs or replacements resulting from accidents, based on NJC OHS Directive, s. 16.7.2 as long as anchor points and permanently installed suspended platforms are used – records of modifications or repairs made to them, based on COHS Regulations, s. 2.16 (8) <p>Note: The <i>MOHS Regulations</i> specify that the records referenced above—in relation to those regulations—are to be retained “on board the vessel.”</p>

<p>Maintaining Protective Equipment</p> <p>Unplanned maintenance Planned or scheduled maintenance Preventative maintenance Betterments</p>	<p>Records of protection equipment (i.e., safety materials, equipment, devices and clothing) provided by the employer</p> <p>Note: The COHS Regulations, s. 12.14 (2), specify the content of these records; the MOHS Regulations, s. 95, specify what is to be inspected.</p>	<p>2 years after the equipment ceases to be used, based on COHS Regulations, s. 12.14 (1) and MOHS Regulations, s. 148. (1), except:</p> <p>2 years after the inspection record is signed by the person who carried out the inspection – records of inspections required by MOHS Regulations, s. 95</p> <p>Note: According to the COHS Regulations, s. 12.14 (1), records of <i>all</i> inspections are to be retained until 2 years after the equipment ceases to be used.</p> <p>Note: The regulations noted above specify, respectively, that the records are to be retained “in the workplace in which the equipment is located” or “on board the vessel.”</p>
<p>Maintaining Heritage Assets</p>	<p>Additional IRBV requirements specific to heritage assets (as defined by the Guide to the Management of Movable Heritage Assets, Appendix B)</p> <p>Documentation of maintenance or restoration work Conservation treatment documents (before and after photos, treatment plan, reports on results of treatment)</p>	<p>1 year after the item is removed from the inventory</p> <p>Note: Retain copies of the item’s documentation near the items as well as in a central information bank (Guide to the Management of Movable Heritage Assets, s. 2.3).</p>

3. Disposal

Note: The disposal of most assets goes through Public Works and Government Services Canada (PWGSC) – Crown Assets Distribution (CAD); see Treasury Board Secretariat [Directive on Disposal of Surplus Materiel, s. 4.](#)

Business Processes	Recommendations: Information Resources of Business Value (IRBVs)	Recommendations: Retention Period
<p>Disposal</p> <p>Notify CAD that materiel is available for disposal Offer to Industry Canada Computers for Schools Program (IT only) Contact Library and Archives Canada for all surplus publications</p>	<p>Lists of surplus assets (available for reuse within the institution or available for other government institutions)</p>	<p>1 year after superseded or obsolete</p>
	<p>Correspondence with CAD Disposal forms Report of Surplus (ROS)</p>	<p>1 year after surplus declaration to CAD</p>
	<p>Condemnation and destruction document</p>	<p>1 year after disposal</p>

<p>Make materiel available to other federal departments Amend asset management database to reflect disposal of asset Dispose of outside the federal domain after all other possibilities have been considered</p>	<p>Write-offs Sales documents Surplus document Donation documents</p> <p>Additional IRBV requirements specific to controlled goods (as defined by the Defence Production Act, Schedule – Controlled Goods List—in reference to the Export Control List—and the Controlled Goods Directive, s. 4) Documents outlining the description of transfer, the date of transfer, the identity and address to whom the controlled goods were transferred Description of the manner and date of disposition</p> <p>Additional IRBV requirements specific to controlled products (hazardous goods) (as defined by the Hazardous Products Act, Schedule II, in reference to Controlled Products Regulations, s. 33 – 66, and TDG Regulations, Schedule 1) Hazardous waste control forms, shipping logs Shipping permits Note: The TDG Regulations, Part 3, specifies the content of shipping records relating to dangerous goods.</p> <p>Additional IRBV requirements specific to heritage assets (as defined by the Guide to the Management of Movable Heritage Assets, Appendix B) Correspondence with museum or similar institution for transfer of asset Cultural Property Export Review Board correspondence</p>	<p>1 year after disposal, sale, or donation</p>
	<p>Reports of asset disposal sent to Finance Costing analyses used to justify disposal decisions</p>	<p>6 years after the end of the fiscal year in which the disposal takes place, in reference to: Policy on Accounting for Inventories, s. 1.1.1; Directive on Disposal of Surplus Materiel, s. 4.11; and Guide to Management of Materiel, s. 4</p>